

# Item 7 – Green Energy Supply

## EDF Energy Electricity Tariff 2022/23

**FAREHAM**  
BOROUGH COUNCIL

# Introduction

- Going to discuss the transition to a zero carbon electricity tariff
- Impact of the current energy crisis
- Explain the process of how we decided which tariff to choose
- Our electricity suppliers investment in renewable projects

# Background

- EDF since 2021/22 has supplied nearly 100% of the Council's electricity usage
- CCAP project is to switch over to a zero carbon electricity tariff so that can reduce our Scope 2 emissions
- Our Scope 2 emissions are produced from electricity usage only
- Therefore, if on a zero carbon electricity tariff, Council Scope 2 emissions will be reduce by around 550 tCO<sub>2</sub>e

# Background

- Switching to Nuclear will also reduce Scope 3 emissions by an estimated 99 tCO<sub>2</sub>e
- This reduction is from Tenants within the Civic Offices e.g. Public Health England
- Community and Leisure Centres will be unaffected by the tariff change as they choose their own tariffs

# EDF Initiatives

- EDF has a large portfolio of investments in different renewable energy projects
- The projects mainly consist of investment in Wind, Solar, and Battery storage
- An example, is the proposed Garn Fach Wind Farm in Wales which will generate enough electricity for up to 69,000 households

# The Current Issue

- Annual cost of the Council's electricity expenditure (regardless of tariff choice) to rise significantly:
  - £474,891 in 2019/20
  - £343,304 in 2020/21 (Covid)
  - £422,394 in 2021/22
  - £662,285 in 2022/23
- Council planned to move over to a renewable electricity tariff for 2022/23 and was quoted an extra £1,051 per year for the change
- Energy crisis has meant that this value is now £8,938 per year
- Therefore, considered other tariff options available from our supplier

# Tariff Options

	Option 1a	Option 1b	Option 1c	Option 2	Option 3	Option 4 (Our current tariff)
<b>Description</b>	Select Renewable: choose source e.g. exact solar farm	Clean Renewable: solar, wind and hydro	UK Renewable: Includes biomass and landfill gas	Nuclear Power only	Mixture of Nuclear and Renewables	Standard EDF mix of fossil fuels and Nuclear
<b>Net Zero Carbon</b>	Yes	Yes	Yes	Yes	Yes	No
<b>Extra per year over standard tariff</b>	£15,772	£13,038	£8,938	£0	£4,837	N/A
<b>Benefit</b>	GHG Zero Carbon Reporting	GHG Zero Carbon Reporting	GHG Zero Carbon Reporting	GHG Zero Carbon Reporting	GHG Zero Carbon Reporting	No Premium to pay
<b>Negative</b>	Premium to pay	Premium to pay	Produces carbon dioxide however is deemed carbon neutral. Premium to pay	No premium to pay Nuclear waste is produced Potential issues with public perception	Premium to pay	No reduction in reportable CO2 emissions

# Analysis of the Different Options

- Difficult to justify additional £8,938 annual renewable spend due to Council's financial pressures
- Mix of renewable and Nuclear would also have zero emissions but cost £4,837
- Nuclear has a strong role to play to achieve UK's commitment to net zero by 2050
- Switching to Nuclear tariff would reduce Scope 2 emissions by around 550 tonnes with no additional cost
- Nuclear tariff produces around 7.8kg of nuclear waste



# Conclusions

- Decided that due to financial pressures the Nuclear only tariff was the most logical option
- Nuclear produces no carbon emissions and therefore the tariff will reduce our Scope 2 emissions significantly
- The Nuclear tariff also means that the Council will incur no additional cost by switching tariff
- Potential to switch to a renewable tariff in 2023/24 if costs reduce
- Nuclear power is part of the Government's long term strategy to achieving net zero by 2050